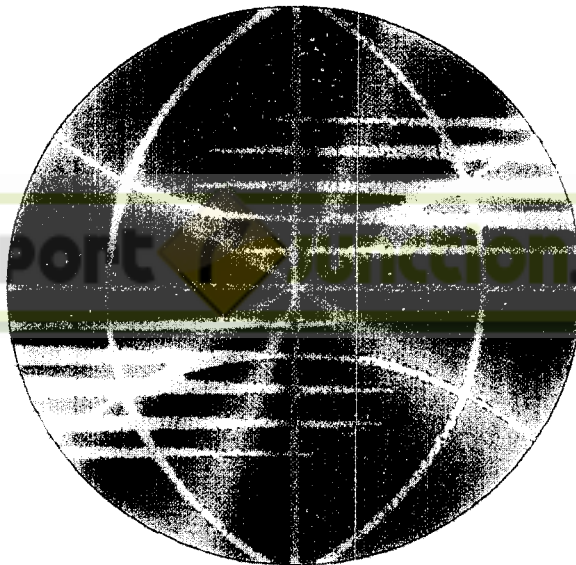


वार्षिक प्रतिवेदन १९९६ - ९७

ANNUAL REPORT 1996 - 97

MD	✓		BKC	✓
CS	✓		DPY	✓
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓



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# निदेशक मंडल

## BOARD OF DIRECTORS

श्री सीताराम जीवराजका

अध्यक्ष

श्री राजेन्द्र प्रसाद खेतान

उपाध्यक्ष एवं प्रबन्ध निदेशक

श्री सुशील कुमार जीवराजका

संयुक्त प्रबन्ध निदेशक

श्री गोपाल कुमार जीवराजका

संयुक्त प्रबन्ध निदेशक

श्री केतन ए. दलाल

डा. वी. एल. दत्त

श्री राजेन्द्र मोहन मल्ला

भा० औ० वि० बैंक द्वारा मनोनीत

Shri Sita Ram Jiwarajka

Chairman

Shri Rajendra Prasad Khaitan

Vice Chairman & Managing Director

Shri Sushil Kumar Jiwarajka

Joint Managing Director

Shri Gopal Kumar Jiwarajka

Joint Managing Director

Shri Ketan A. Dalal

Dr. V.L. Dutt

Shri R.M. Malla

IDBI-Nominee

बजरंग लाल चाण्डक

अतिरिक्त महाप्रबन्धक

(वित्त एवं लेखा)

तथा कम्पनी सचिव

B.L. CHANDAK

Addl. General Manager

(Finance & Accounts)

and Company Secretary

लेखा परीक्षक

के. प्रसाद एण्ड कंपनी

सनदी लेखाकार

सी-31, साउथ एक्सटेंशन पार्ट - 1

नई दिल्ली-110 049

AUDITORS

K. Prasad & Company

Chartered Accountants

C-31, South Extension Part - 1

New Delhi - 110 049

बैंक

भारतीय स्टेट बैंक

दी बैंक आफ टोकियो मिट्सुबिशि लिमिटेड

केनरा बैंक

टाईम्स बैंक लिमिटेड

BANKERS

State Bank of India

The Bank of Tokyo - Mitsubishi Limited

Canara Bank

Times Bank Limited

पंजीकृत कार्यालय

डी-13/4, ओखला औद्योगिक क्षेत्र, फेज-II

नई दिल्ली-110 020

REGISTERED OFFICE

D-13/4, Okhla Industrial Area Phase - II

New Delhi - 110 020

मुंबई कार्यालय

मथुरादास मिल्स कम्पाउंड, भूतल

आईडियल इण्डस्ट्रियल एस्टेट के पीछे

सेनापति बापत मार्ग

लोअर परेल, मुम्बई-400 013

MUMBAI OFFICE

Mathura Das Mills Compound, Ground Floor

Behind Ideal Industrial Estate

Senapati Bapat Marg, Lower Parel

Mumbai-400 013

**SALORA INTERNATIONAL LIMITED**

Registered Office : D-13/4, Okhla Industrial Area, Phase II,  
New Delhi - 110 020

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 28th Annual General Meeting of the Members of Salora International Limited will be held on Tuesday, the 26th August, 1997 at 2.30 p.m. at The Surya, Community Centre, New Friends Colony, New Delhi - 110 065 to transact the following business:

**A. ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
1. (a) To declare dividend on equity shares.
2. To appoint a Director in place of Shri Sushil Kumar Jiwrajka who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Ketan A. Dalal who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT the Board of Directors be and is hereby authorised to appoint in consultation with the Company's Auditors any person qualified for appointment as Auditor or Auditors under Section 226 of the Companies Act, 1956 to audit the Accounts for the financial year 1997-98 of the Company's Branch Offices and to fix their remuneration and the terms and conditions on which they shall carry out the audit."

**SPECIAL BUSINESS**

- 6 To consider and pass, with or without modification, the following resolution as Ordinary Resolution.  
"Resolved that the re-appointment of Shri Rajendra Prasad Khaitan as Managing Director of the Company made by the Board of Directors pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable sections of the Companies Act, 1956, and in accordance with and subject to the conditions of Schedule XIII to the said Act for a period of one year from 20th July, 1996 to 19th July, 1997 on the same terms and remuneration which he was availing of and receiving as on the 19th July 1996 and which were approved by the members of the Company at the Annual General Meeting held on 22nd September 1995, be and is hereby approved and confirmed;  
"Also Resolved that the further re-appointment of the said Shri Rajendra Prasad Khaitan as Managing Director for a further period from 20th July, 1997 upto 30th June 2002, upon his current tenure coming to an end, made by the Board pursuant to the aforesaid provisions of the Companies Act 1956 and in accordance with and subject to the conditions of Schedule XIII to the said Act at the same remuneration and other terms as specified in the Explanatory statement in respect of this resolution annexed to the notice of this meeting, be and is hereby approved and confirmed;  
"Further Resolved that, subject to the limits specified in the said schedule XIII, Shri Rajendra Prasad Khaitan will be entitled to avail and be paid the remuneration approved as aforesaid as minimum remuneration even if the company has inadequate or no profits in any financial year during his tenure of the Office."
7. To consider and pass, with or without modification, the following resolution as Ordinary Resolution.  
"Resolved that the re-appointment of Shri Gopal Kumar Jiwrajka as Joint Managing Director of the Company made by the Board of Directors pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable sections of the Companies Act, 1956, and in accordance with and subject to the conditions of Schedule XIII to the said Act for a period of one year from 20th July, 1996 to 19th July, 1997 on the same terms and remuneration which he was availing of and receiving as on the 19th July 1996 and which were approved by the members of the Company at the Annual General Meeting held on 22nd September 1995 and which Shri Gopal Kumar Jiwrajka drew and availed of only upto 17.12.96 be and is hereby approved and confirmed;

8. To consider and pass, with or without modification, the following resolution as Ordinary Resolution.
- "Resolved that the re-appointment of Shri Sushil Kumar Jiwarajka as Joint Managing Director of the Company made by the Board of Directors pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable sections of the Companies Act, 1956, and in accordance with and subject to the conditions of Schedule XIII to the said Act for a period of four months from 1st April 1997 to 31st July, 1997 on the same terms and remuneration which he was availing of and receiving as on the 31st March 1997, and which were approved by the members of the Company at the Annual General Meeting held on 22nd September 1995, be and is hereby approved and confirmed;
- "Also Resolved that the further re-appointment of the said Shri Sushil Kumar Jiwarajka as Joint Managing Director for a further period from 1st August, 1997 upto 30th June, 2002, upon his current tenure coming to an end, made by the Board pursuant to the aforesaid Provisions of the Companies Act, 1956 and in accordance with and subject to the conditions of Schedule XIII to the said Act at the remuneration and other terms as specified in the Explanatory statement in respect of this resolution annexed to the notice of this meeting, be and is hereby approved and confirmed;
- "Further resolved that, subject to the limits specified in the said schedule XIII, Shri Sushil Kumar Jiwarajka will be entitled to avail of and be paid the remuneration approved as aforesaid as minimum remuneration even if the company has inadequate or no profits in any financial year during his tenure of the Office."
9. To consider and if thought fit to pass with or without modification the following resolution as Ordinary Resolution :-
- "RESOLVED THAT subject to the approval of the Central Government, the Reserve Bank of India and of such other authorities whose approval, consent and sanction is necessary and required in the matter and further subject to such conditions as may be prescribed / stipulated by such authorities and subject to applicable provision of the relevant law, rules and regulations, the Company be and is hereby allowed and authorised to permit foreign investors including foreign institutions, bodies corporate, individuals and other entities and / or non-resident Indians and bodies corporate and other entities owned or controlled by non-resident Indians to acquire or hold shares / debentures of the Company in any permissible manner and modes upto 30% each of the subscribed equity capital of the Company and convertible debentures of the Company;
- "FURTHER RESOLVED THAT the Board of Directors or a duly authorised committee of the Board be and is hereby authorised to take such steps as may be necessary and / or desirable to give effect to this resolution."

By order of the Board  
B.L. CHANDAK  
ADDL. G.M. (Finance & Accounts)  
and Company Secretary

## NOTES

1. The relevant Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HRS. BEFORE THE TIME FIXED FOR THE START OF THE MEETING. PROXY FORM IS ENCLOSED.
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company during office hours on all working days, except Saturday, between 11.00 a.m. and 2.00 p.m. up to the date of Annual General Meeting.
5. Dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 1997, if declared at the meeting, will be payable on or after 27th August, 1997.
6. The Share Transfer Books and the Register of Members of the Company will remain closed from 22nd August, 1997 to 26th August, 1997 (both days inclusive) for the purpose of payment of Dividend.
7. Members may note that the Company has appointed M/s. Skyline Financial Services Pvt. Ltd. 123, Vinoba Puri, Lajpat Nagar-II, New Delhi-110 024 (Telephone No. 6838501, 6920625 Fax No. 6918352) as Registrar and Share Transfer Agents w.e.f. 16th June, 1997.

8. Pursuant to the Companies Unpaid Dividend (Transfer to the General Reserve Account of the Central Government) Rules, 1978 the unpaid dividend, due for transfer to the Central Government are as follows:
- | Financial Year ended | Due for Transfer on |
|----------------------|---------------------|
| 31.03.1994           | 4.11.97             |
| 31.03.1995           | 1.11.98             |
- Members who have not encashed their dividend warrants for the aforesaid financial years are requested to approach the Company's Registrar and Transfer Agents M/s. Skyline Financial Services (P) Ltd.
9. Share holders are requested to bring their copies of Annual Report to the meeting.
10. Members are requested to notify immediately any change in their address to the Company quoting their folio number.
11. Members are requested to send their queries relating to accounts of the Company at an early date so as to enable the management to keep the information ready.

By order of the Board

B.L. CHANDAK

ADDL. G.M. (Finance & Accounts)

and Company Secretary

Mumbai. 10th July, 1997

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS OF THE A.G.M. TO BE HELD ON 26TH AUGUST, 1997

#### Item No. 6

Shri Rajendra Prasad Khaitan has been the Managing Director of the Company since several years and the last such appointment of Shri Rajendra Prasad Khaitan for a period of 5 years from 20th July, 1991 was approved by the company at the Annual General Meeting held on 23rd August, 1991 and revision in his remuneration was last approved at the Company's Annual General Meeting held on 22nd September, 1995. Upon expiry of the said tenure of his appointment on 19th July 1996, the Board of Directors re-appointed him as Managing Director for a period of one year, that is from 20th July, 1996 to 19th July 1997 upon the same terms as to remuneration as approved at the A.G.M. held on 22nd September, 1995 as aforesaid. These terms of remuneration are as follows which he is presently drawing / availing of :-

- a) Salary : Rs. 60,000 (Rupees Sixty Thousand only) per month.
- b) Commission : 1% of the net profits of the Company to be computed in accordance with Section 349 of the Companies Act, 1956.
- c) Perquisites :
  1. Housing : Furnished Residential accommodation or House Rent Allowance as applicable. Gas, Electricity & Water may be provided by the Company, to be valued as per Income Tax Rules, 1962.
  2. Medical Reimbursement : Reimbursement of expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  3. Leave Travel Concession : For Self and family once a year as per rules of the Company.
  4. Club Fees : Fees of clubs subject to maximum of two clubs, admission and life membership not being allowed.
  5. Personal Accident Insurance : Annual Premium payable by the Company, not exceeding Rs. 4,000/-.
  6. Company's contribution towards Provident Fund : As per the rules of the Company but not exceeding 10% of the salary as laid down under the Income Tax Rules, 1962.
  7. Company's contribution to Superannuation Fund : As per the rules of the Company but not exceeding 15% of the salary as laid down under the Income Tax Rules, 1962.
  8. Gratuity : One half month's salary for each completed year of service.
  9. Encashment of leave at the end of tenure as per the rules of the Company.
  10. Car : For use of Company's business. Use of Car for private purposes shall be billed by the Company to Shri Rajendra Prasad Khaitan.
  11. Telephone : Telephone facility at residence. Personal long distance calls shall be billed by the Company to Shri Rajendra Prasad Khaitan.



Besides the above as his current tenure will be coming to an end on 19th July, 1997 the Board has re-appointed Shri Rajendra Prasad Khaitan as Managing Director for a period with effect from 20th July, 1997 to 30th June, 2002 on the following terms of remuneration :-

- a) Salary : Rs. 60,000/- (Rupees Sixty Thousand only) per month.
- b) Commission : 1% of the net profits of the Company to be computed in accordance with Section 349 of the Companies Act, 1956.
- c) Perquisites :
  1. House Rent Allowance - 60% of the Salary.
  2. Reimbursement of expenses on Gas, Electricity and Water subject to the limit of 10% of salary.
  3. Reimbursement of Medical expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  4. Leave Travel Concession for Self and family once a year as per rules of the company.
  5. Fees of clubs subject to maximum of two clubs, admission fee and life membership fee not being allowed.
  6. Personal Accident Insurance the annual premium payable for which by the Company, not exceeding Rs. 4000/- (Rupees Four thousand only).
  7. Company's contribution towards Provident Fund and Superannuation or Annuity Fund as per the rules of the Company but to the extent these are not taxable under the Income Tax Act.
  8. Gratuity at one half month's salary for each completed year of service.
  9. Encashment of leave at the end of tenure as per the rules of the Company.
  10. Provision of Company's car for use on Company's Business and telephone at residence, but use of car for personal purposes and long distance personal calls on telephone will be charged to him.

It has also been sanctioned by the Board that in the event of inadequacy or absence of profits in any year during his tenure the remuneration as above except commission will be paid to him as minimum remuneration to the extent and upto the limit the payment of minimum remuneration is permissible under Schedule XIII to Companies Act, 1956. However for the purposes of such limit on minimum remuneration, the perquisites as per items No. 7, 8, 9 & 10 above will not be included.

Since this is the first general meeting of the Company after the re-appointment of Shri Rajendra Prasad Khaitan made with effect from 20th July 1996, the resolution as per item no. 6 of the annexed notice and agenda seeking approval of the shareholders of the company includes approval to be given to the said re-appointment for one year with effect from 20th July, 1996, as well as the further re-appointment for the period from 20th July 1997 upto 30th June 2002. The members are requested to consider and pass the said resolution.

Except Shri Rajendra Prasad Khaitan himself no other Director is interested within the meaning of the Companies Act, 1956, in the said resolution.

#### Item No.7

Shri Gopal Kumar Jiwrajka was appointed as Joint Managing Director of the Company at the Company's Annual General Meeting held on 17th August, 1992 and revision in his remuneration was last approved at the Company's Annual General Meeting held on 22nd September, 1995. Upon expiry of the said tenure of his appointment on 19th July 1996, the Board of Directors re-appointed him as Joint Managing Director for a period of one year, that is from 20th July, 1996 to 19th July 1997 upon the same terms as to remuneration as approved at the A.G.M. held on 22nd September, 1995 as aforesaid. These terms of remuneration are as follows :-

- a) Salary : Rs. 60,000 (Rupees Sixty Thousand only) per month.
- b) Commission : 1% of the net profits of the Company to be computed in accordance with Section 349 of the Companies Act, 1956.
- c) Perquisites :
  1. Housing : Furnished Residential Accommodation or House Rent Allowance as applicable.  
Gas, Electricity and Water may be provided by the Company, to be valued as per Income Tax Rules, 1962.
  2. Medical Reimbursement : Reimbursement of expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  3. Leave Travel Concession : For Self and family once a year as per rules of the Company.
  4. Club Fees : Fees of clubs subject to maximum of two clubs, admission and life membership not being allowed.
  5. Personal Accident Insurance : Annual Premium payable by the Company, not exceeding Rs. 4,000/-.
  6. Company's contribution towards Provident Fund : As per the rules of the Company but not exceeding 10% of the salary as laid down under the Income Tax Rules, 1962.

7. Company's contribution to Superannuation Fund : As per the rules of the Company but not exceeding 15% of the salary as laid down under the Income Tax Rules, 1962.
8. Gratuity : One half month's salary for each completed year of service.
9. Encashment of leave at the end of tenure as per the rules of the Company.
10. Car : For use of Company's business. Use of Car for private purposes shall be billed by the Company to Shri Gopal Kumar Jiwarajka.
11. Telephone : Telephone facility at residence. Personal long distance calls shall be billed by the Company to Shri Gopal Kumar Jiwarajka.

Shri Gopal Kumar Jiwarajka drew and availed of the above remuneration only upto 17th Decmber, 1996 as on and from 18th December, 1996, he was appointed as Whole-Time Director of another Company, namely, Matsushita Television & Audio India Ltd., and he has elected to draw remuneration from that Company.

Besides the above, as his current tenure will be coming to an end on 19th July, 1997, the Board has further re-appointed him as Joint Managing Director for a period from 20th July, 1997 to 30th June, 2002 but for the time being without payment of any remuneration as he continues to draw remuneration from the other company as aforesaid.

Since this is the first general meeting of the Company after the re-appointment of Shri Gopal Kumar Jiwarajka made with effect from 20th July 1996, the resolution as per item no. 7 of the annexed notice and agenda seeking approval of the shareholders of the company includes approval to be given to the said re-appointment for one year with effect from 20th July, 1996, as well as the further re-appointment for the period from 20th July, 1997 to 30th June, 2002 and for which he will not be drawing any remuneration from this Company. The members are requested to consider and pass the said resolution.

No other Directors except Shri Gopal Kumar Jiwarajka himself and Shri Sita Ram Jiwarajka and Shri Sushil Kumar Jiwarajka, Directors, who are relatives of Shri Gopal Kumar Jiwarajka, are interested within the meaning of the Companies Act, 1956 in the said resolution.

#### Item No. 8

Shri Sushil Kumar Jiwarajka was appointed Joint Managing Director of the Company for 5 years with effect from 1st April, 1992 and the said appointment was approved by the Company at the Annual General meeting held on 17th August, 1992. Thereafter, revision in his remuneration was last approved at the Company's Annual General Meeting held on 22nd September, 1995. Upon expiry of the said tenure of his appointment on the 31st March, 1997, the Board of Directors re-appointed him as Joint Managing Director for a period of four months, that is from 1st April, 1997 to 31st July 1997 upon the same terms as to remuneration as approved at the A.G.M. held on 22nd September, 1995 as aforesaid. These terms of remuneration are as follows which he is presently drawing / availing of :-

- a) Salary : Rs. 60,000 (Rupees Sixty Thousand only) per month.
- b) Commission : 1% of the net profits of the Company to be computed in accordance with Section 349 of the Companies Act, 1956.
- c) Perquisites :
  1. Housing : Furnished residential accommodation OR House Rent Allowance as applicable.  
Gas, Electricity and Water may be provided by the Company to be valued as per Income Tax Rules, 1962.
  2. Medical Reimbursement : Reimbursement of expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  3. Leave Travel Concession : For Self and family once a year as per rules of the Company.
  4. Club Fees : Fees of clubs subject to maximum of two clubs, admission and life membership not being allowed.
  5. Personal Accident Insurance : Annual Premium payable by the Company, not exceeding Rs. 4,000/-.
  6. Company's contribution towards Provident Fund : As per the rules of the Company but not exceeding 10% of the salary as laid down under the Income Tax Rules, 1962.
  7. Company's contribution to Superannuation Fund : As per the rules of the Company but not exceeding 15% of the salary as laid down under the Income Tax Rules, 1962.
  8. Gratuity : One half month's salary for each completed year of service.
  9. Encashment of leave at the end of tenure as per the rules of the Company.
  10. Car : For use of Company's business. Use of Car for personal use shall be billed by the Company to Shri Sushil Kumar Jiwarajka.
  11. Telephone : Telephone facility at residence. Personal long distance calls shall be billed by the Company to Shri Sushil Kumar Jiwarajka.



Further as his current tenure will be coming to an end on 31st July, 1997, the Board has further re-appointed him as Joint Managing Director for a period from 1st August, 1997 to 30th June, 2002 on the following terms of remuneration :-

- a) Salary : Rs. 60,000/- (Rupees Sixty Thousand only) per month.
- b) Commission : 1% of the net profits of the Company to be computed in accordance with Section 349 of the Companies Act, 1956.
- c) Perquisites :
  1. House Rent Allowance - 60% of the Salary.
  2. Reimbursement of expenses on Gas, Electricity and Water subject to the limit of 10% of salary.
  3. Reimbursement of Medical expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  4. Leave Travel Concession for Self and family once a year as per rules of the company.
  5. Fees of clubs subject to maximum of two clubs, admission fee and life membership fee not being allowed.
  6. Personal Accident Insurance the annual premium payable for which by the Company, not exceeding Rs. 4000/- (Rupees Four thousand only).
  7. Company's contribution towards Provident Fund and Superannuation or Annuity Fund as per the rules of the Company but to the extent these are not taxable under the Income Tax Act.
  8. Gratuity at one half month's salary for each completed year of service.
  9. Encashment of leave at the end of tenure as per the rules of the Company.
  10. Provision of Company's car for use on Company's Business and telephone at residence, but use of car for personal purposes and long distance personal calls on telephone will be charged to him.

It has also been sanctioned by the Board that in the event of inadequacy or absence of profits in any year during his tenure the remuneration as above except commission will be paid to him as minimum remuneration to the extent and upto the limit the payment of minimum remuneration is permissible under Schedule XIII to Companies Act, 1956. However for the purpose of such limit on minimum remuneration, the perquisites as per item No. 7, 8, 9 and 10 above will not be included.

The resolution as per item no. 8 of the annexed notice and agenda seeking approval of the shareholders of the Company includes approval to be given to the said re-appointment for the period of four months with effect from 01.04.97, as well as the further re-appointment for the period from 1st August, 1997 upto 30th June, 2002. The members are requested to consider and pass the said resolution.

No other Directors except Shri Sushil Kumar Jiwarajka himself and Shri Sita Ram Jiwarajka and Shri Gopal Kumar Jiwarajka, Directors, who are relatives of Shri Sushil Kumar Jiwarajka, are interested within the meaning of the Companies Act, 1956 in the said resolution.

#### Item no.9

At the Extra Ordinary General Meeting of the Company held on 11th April, 1994, the members had passed an Ordinary Resolution authorising holding of securities of and in the Company by foreign investors including NRI, FII, bodies corporate etc., upto an upper limit of 24% of the Subscribed Capital, as then permitted by the Government / Reserve Bank of India. Recently, the Government / Reserve Bank of India have raised the said limit for foreign investors from 24% to 30%. Hence, it is proposed that the Company may also permit investment by Foreign Investors including NRIs upto the said increased limit of 30% of its Subscribed Capital, hence, the said resolution as per item no.9. The resolution is re-commended for approval.

None of the Directors is interested in the said resolution.

Pursuant to provisions of section 302 of the Companies Act, 1956, the particulars stated under items No. 6,7 and 8 above pertaining to the re-appointments of Managing Director and Joint Managing Directors be also regarded as abstract of the terms of contract/variation and memorandum specifying the nature of the interest of the concerned Directors.

Mumbai  
10th July, 1997

By order of the Board  
B.L. CHANDAK  
Additional General Manager  
(Finance & Accounts) and Company Secretary

## निदेशकों की रिपोर्ट

### DIRECTORS' REPORT

आपका निदेशक मंडल 31 मार्च 1997 को समाप्त वित्तीय वर्ष से सम्बन्धित लेखा परीक्षक द्वारा परीक्षित लेखा और 28वीं वार्षिक रिपोर्ट, सहर्ष प्रस्तुत करता है।

#### पैनासॉनिक विभाग का हस्तांतरण

आपकी कम्पनी के पैनासॉनिक विभाग को 1 अप्रैल, 1996 से, मत्सुशिता टेलीविजन एण्ड ओडियो इण्डिया लिमिटेड कम्पनी (एम० टी० ए० आई० सी०) (एक जापानी कम्पनी की भारतीय सहायक कम्पनी, मत्सुशिता इलेक्ट्रिक इण्डस्ट्रियल कम्पनी लिमिटेड) में परिवर्तित करने के लिए, न्यायालय के आदेशों के अधीन बुलाई गई इस कम्पनी के सदस्यों की 5 जुलाई, 1996 को गठित सामान्य बैठक में अनुमोदन कर दिया गया था, और इसकी संस्वीकृति माननीय दिल्ली उच्च न्यायालय द्वारा 20 सितंबर, 1996 को प्रदान कर दी गई थी तथा दिसम्बर 1996 में इसका परिपालन पूर्ण कर दिया गया था।

उपर्युक्त योजना की विरचना करने में आपके निदेशक मंडल ने यह निर्णय लिया है कि अंशधारकों की कीमत समुन्नत करने और उन्हें प्रत्यक्ष लाभ प्रदान करने तथा उपर्युक्त पैनासॉनिक विभाग को मत्सुशिता टेलीविजन एण्ड ओडियो इण्डिया लिमिटेड कम्पनी को हस्तांतरित करने के उद्देश्य से इस कम्पनी के अंश, अंशधारियों को उनके प्रत्येक अंश के बदले एम० टी० ए० आई० सी०, अंतरिती कम्पनी के दो अंश के अनुपात में आवंटित कर अंशधारियों को प्रोद्भूत किया जाएगा। तदनुसार एम० टी० ए० आई० सी० ने इस कम्पनी के अंशधारियों के लिए 10 रुपये वाले 17,62,500 सममूल्य अंश जारी तथा आवंटित किये हैं। एम० टी० ए० आई० सी० ने इस वर्ष जनवरी में आवंटित अंश के अंश प्रमाण पत्र प्रेषित कर दिये थे। यह आशा की जाती है कि आपने अपने अंश प्रमाण पत्र प्राप्त कर लिये होंगे, जिनके आप हकदार हैं। एम० टी० ए० आई० सी० के ये सभी अंश दिल्ली शेयर बाजार तथा राष्ट्रीय शेयर बाजार में पहले ही सूचीबद्ध किये जा चुके हैं तथा मुम्बई शेयर बाजार में सूचीबद्ध करण के लिए आवेदन किया जा चुका है।

#### वित्तीय परिणाम

	31-03-97 को समाप्त वर्ष (दस लाख रु. में)
ब्याज, मूल्य ह्रास एवं कर व्यवस्था, पूर्व लाभ	666.91
घटा : ब्याज	188.59
घटा : मूल्यह्रास	120.06
कर व्यवस्था पूर्व लाभ/(हानि)	358.26
घटा : कर अदायगी की व्यवस्था	46.25
लाभ (हानि) सम्पत्ति कर व्यवस्था के बाद	312.01
जोड़े : पिछले वर्ष से अग्रणीत अधिशेष	0.00
विनियोग के लिए उपलब्ध लाभ/(हानि)	312.01
घटा : विनियोजन	
प्रप्तावित लाभांश	88.20
सामान्य आरक्षित निधि को स्थानान्तरित राशि	30.00
लाभ/(हानि) अग्रणीत	193.81

Your Directors have pleasure in presenting the 28th Annual Report and the Audited Accounts of your Company for the financial year ended on 31st March, 1997.

#### TRANSFER OF PANASONIC DIVISION

The Scheme of arrangement to spin-off and transfer your Company's Panasonic Division with effect from 01.04.96 to Matsushita Television & Audio India Ltd. (MTAIC) (an Indian subsidiary of the Japanese giant, Matsushita Electric Industrial Co. Ltd.), which was approved by the members of this Company at a general meeting called and held on 5th July, 1996 under the Court's orders, was sanctioned by the Hon'ble High Court of Delhi on 20th September, 1996, and the implementation thereof was completed in December, 1996.

In framing the said scheme, your Board had decided that in order to improve shareholders value and to benefit them directly, a portion of the consideration for the transfer of the said Panasonic Division should accrue to the shareholders of this Company by allotment to them of shares of the said MTAIC, the transferee Company, in the ratio of two shares of MTAIC for each share held in this Company. Accordingly, MTAIC has issued and allotted in the aggregate 17,62,500 Equity shares of Rs.10/- each at par to the shareholders of this Company. The share certificates of the shares so allotted were sent by the said MTAIC in January this year, and it is hoped that all of you have received your respective entitled share certificates. These shares of MTAIC have already been listed on the Delhi Stock Exchange and the National Stock Exchange and application for listing on the Bombay Stock Exchange has already been made.

#### FINANCIAL RESULTS FOR THE YEAR

	Year ended 31-03-97 (Rs. In lakhs)
Profit before Interest, Depreciation & Tax	666.91
Less : Interest	188.59
Less : Depreciation	120.06
Profit (Loss) before Tax	358.26
Less : Provision for Tax	46.25
Net Profit (Loss) (after Tax)	312.01
Add : Balance Brought forward from Previous Year	0.00
Profit available for appropriation	312.01
Less : Appropriations	
Proposed Dividend	88.20
Transfer to General Reserve	30.00
Balance Profit (Loss) carried forward	193.81